

Congress of the United States

House of Representatives

Washington, DC 20515

March 23, 2020

The Honorable Nancy Pelosi
Speaker of the House
H-232, The Capitol
Washington, DC 20515

Dear Speaker Pelosi,

Quickly. Yesterday's Senate bill meets some of the needs for the Marianas – and other areas of our nation – but remains deficient. Please, continue the fight; and remember to provide parity for the insular areas in all Democratic policy responses to the coronavirus.

Reviewing my recommendations in my letter of March 18 to you:

- 1) **Direct state and territory government aid for jurisdictions experiencing coronavirus-related revenue shortfalls.**

The Senate bill does not meet this need.

It does fund an Education Stabilization Fund to support public schools, however. And the Marianas Commissioner of Education informs me without such aid he will terminate all employees on April 3, ending K-12 schooling for 10,000 students indefinitely.

As Chair of the House Subcommittee on Early Childhood, Elementary and Secondary Education, I advise Senate funding of \$20 billion is insufficient for this purpose and should be doubled to \$40 billion.

- 2) **Direct cash payments to laid-off workers.**

The Senate bill does provide aid for the Marianas using the Disaster Unemployment Assistance program of the U.S. Department of Labor, as I suggested, in the absence of an unemployment insurance system in the Marianas (and Guam and American Samoa).

The Senate one-time tax rebate also applies to the Marianas and includes a cover-over to the Marianas government for the cost.

The Senate bill does not provide the rebate to taxpayers in the Marianas, who are nonresident aliens. Because this class is approximately one-third of the population and for reasons of pure equity, nonresident aliens should be included in any tax-based direct payment program.

Participation in any unemployment or tax-based program should not be counted as a negative factor in any subsequent application for immigration benefits.

3) Support for industries that underlie tourism – in all parts of the U.S.

The Senate bill provides loans to air carriers. The Secretary of Transportation is authorized to require these carriers to maintain service, where practical, and consider the air transportation needs of small and remote communities.

This language is insufficient. Communities, like the Marianas, almost wholly dependent on air service to underpin their economies, even if small and remote, must be prioritized for maintenance of service as a condition of any federal financial bail-out to industry.

4) Cover-over provisions in any tax credit based relief.

The Senate bill provides a cover-over of U.S. Treasury funds to territorial governments for the cost of the one-time tax rebate.

Any alternative form of tax-based relief that may be considered, such as use of the Child Tax Credit or the Earned Income Tax Credit, must always include such a cover-over.

Likewise, Section 7001 of the Families First Coronavirus Response Act must be amended to provide for a cover-over of federal funds for the cost of the refundable tax credit to employers for employee paid sick leave. The Marianas government is financially unable to pay for this benefit; and employers, already on a financial knife-edge, simply will not be able to provide the paid leave to workers.

Thank you for your consideration of my previous recommendations and their further application, as outlined above. I have returned to the Capitol and am available to discuss these issues at any time.

Sincerely,



GREGORIO KILILI CAMACHO SABLAN
Member of Congress

cc: The Honorable Steny Hoyer, Majority Leader
The Honorable James Clyburn, Majority Whip
The Honorable Hakeem Jeffries, Chair – Democratic Caucus
The Honorable Nita Lowey, Chair – Committee on Appropriations

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The Honorable Robert C. Scott, Chair – Education and Labor Committee

The Honorable Frank Pallone, Chair – Energy and Commerce Committee

The Honorable Maxine Waters, Chair – Finance Services Committee

The Honorable Raúl Grijalva, Chair – Natural Resources Committee

The Honorable Nydia Velázquez, Chair – Small Business Committee

The Honorable Peter DeFazio, Chair – Transportation and Infrastructure Committee

The Honorable Richard Neal, Chair – Ways and Means Committee